



August 1, 1995

David Werdegarr, M.D., M.P.H.
OSHDP
1600 9th Street, Suite 400
Sacramento, CA 95814

RE: California Hospitals Outcomes Project

Dear Dr. Werdegarr:

Mercy Healthcare Sacramento and Methodist Hospital of Sacramento are committed to ongoing clinical quality improvement. We support the analytic approach undertaken by the Office of Statewide Health Planning and Development (OSHDP). The California Hospitals Outcomes Project provides a unique opportunity to evaluate our performance in relationship to hospitals across the state. Mercy is asking its respective medical staffs to participate in the validation effort.

We call the reader's attention to certain issues to be addressed by the research team:

1. The presentation of two models (Model A, Model B) is confusing. We recommend that OSHDP select only one for future reporting.
2. We continue to support OSHDP's decision not to report ranks for hospitals. The wide confidence intervals associated with the estimates of risk adjusted outcomes lead to similarly wide confidence intervals associated with the corresponding ranks. As a consequence of these wide confidence intervals, we believe that the hospital ranks are too uncertain to validly order hospitals.
3. The format of the data returned to facilities was very user friendly and we highly recommend this practice be continued in future studies.

Thank you for allowing us to respond.

Sincerely,

Thomas A. Petersen,
Vice President/COO

Sincerely,

Michael P. Friedlander, M.D.
Chief of Staff